



Dear Downpayment Assistance Funds Applicant:

Thank you for your interest in participating in the Central Nebraska Housing Developers’ Downpayment Assistance Program.

This Program is for homebuyer assistance in the form of downpayment assistance (DPA) with moderate housing rehabilitation that will provide low- to moderate-income families with the financial resources towards the purchase of a home located in the following Central Nebraska counties: Blaine, Boyd, Brown, Cherry, Custer, Garfield, Greeley, Holt, Keya Paha, Loup, Rock, Sherman, Valley and Wheeler.

Homeowner Income Eligibility

Applications will be considered on a first-ready first-serve basis. A request is considered “complete and ready for consideration” when the prospective homebuyer has provided the Housing Administrator with all required and requested documentation/information. Applicants eligible for downpayment assistance/closing cost assistance/ rehabilitation assistance must have gross incomes at or below 120% of the Area Median Income for the county where the residence will be located, based upon family size. Priority points will be given to applicants at or below 80% AMI.

Income Chart

INCOME THRESHOLD FOR HOUSEHOLD – Effective June 2016								
PROGRAM	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
DPA (120%)	\$50,880	\$58,080	\$65,400	\$72,600	\$78,480	\$84,240	\$90,120	\$95,880
(80%)	\$33,900	\$38,750	\$43,600	\$48,400	\$52,300	\$56,150	\$60,050	\$63,900
*See counties below								
*Nebraska counties of: Blaine, Boyd, Brown, Cherry, Custer, Garfield, Greeley, Holt, Keya Paha, Loup, Rock, Sherman, Valley and Wheeler.								

Program Description

The homebuyer assistance funds can be used for downpayment and closing costs. The maximum available for assistance, and repayment requirement is as follows:

- **Existing homes** - Applicants are eligible for down payment assistance and closing costs as follows: up to 20% of purchase price of the home, or a maximum of \$14,000, plus up to \$2,000 for closing costs. The maximum total DPA/Closing assistance available is \$15,000 per household. Applicants are also eligible for a maximum of \$5,000 in housing rehabilitation funds that are to be used for the sole purpose of bringing the home up to the applicable minimum standards. Repayment of total loan funds for Levels A, B, and C begin 6 months following closing of the home. Interest rates are according to income level. See Attachment 1 for the repayment schedule and applicable affordability period.

- **New homes** – Applicants are eligible for down payment assistance and closing costs as follows: up to 20% of purchase price of the home, or a maximum of \$15,000, plus up to \$2,000 for closing costs. Repayment of total loan funds for Levels A, B and C begin 6 months following closing of the home. Interest rates are according to income level. See Attachment 1 for the repayment schedule and applicable affordability.

Housing rehabilitation funds are available for existing homes only as a support activity to the DPA. These funds are provided to assist the homebuyer in bringing the home up to the Nebraska Department of Economic Development's minimum rehab standards, as well as to address property deficiencies identified by the lender as a barrier to the approval of the home loan. Improvements that are primarily aesthetic in nature are not eligible for the DPA rehab funds. The program imposed limit for rehab funds is \$5,000 per home.

### Guidelines

- Homes assisted with Program funds must be located within the located within the municipal boundaries of communities located in the municipal boundaries of the communities located in the Central Nebraska counties of Blaine, Boyd, Brown, Cherry, Custer, Garfield, Greeley, Holt, Keya Paha, Loup, Rock, Sherman, Valley and Wheeler counties in Nebraska.
- Single-family units only, new or existing, and applicants must use property as their principal residence.
- Applications will be considered on a first-ready, first-serve basis (determined to be income eligible, copy of letter of approval for first mortgage by a commercial lender, copy of Purchase Agreement, completion of REACH-Approved Homebuyer Education class).
- Applicant must be approved for a home mortgage with a commercial lender of his/her choice.
- Applicant's gross income must be at or below 120% AMI status for the county of the residence; however, priority points will be given to applicants with gross income levels at or below 80% AMI.
- Front Ratio at or below 30%, or as determined by their lender, with fixed rate mortgage only.
- The maximum per unit subsidy that can be provided by this Program is \$20,000.
- A homebuyer investment in the amount of \$500 must be provided toward the purchase of the home at closing.
- Applicants must have a liquid net worth of less than \$75,000, excluding current residence.
- The purchaser must successfully complete a REACH-approved homebuyer education course prior to signing a purchase agreement for the home. All persons to be listed on the property deed must have attended the REACH-approved Homebuyer Education class. CNED, Inc. offers monthly Homebuyer Education courses through both classroom and online education.
- Local down payment assistance or reuse funds must be exhausted, or applicant must be determined to be ineligible by those local programs, to be considered eligible for the CNED, Inc. DPA funds in conjunction with this program.
- Return beneficiaries will be assisted if they can meet all other eligibility requirements, unless they have defaulted on a previous CNED, Inc. project.
- Properties must have safe, sanitary, and adequate water supplies and sewage disposal currently available for use.
- Purchased/rehabilitated home must be the owner's principle residence for at least five (5) years from the date the NAHP funds are invested in the property.
- Properties must be feasible for being brought into compliance with NDED's Minimum Standards for Rehabilitation.
- Mobile homes will be ineligible for the DPA Program.
- Home must achieve State Historic Preservation Office clearance.
- Units with tenants will not be considered, unless the tenant is the buyer.
- Affordability period for the home is dependent upon the total loan amount; however, the minimum affordability period is 5 years. Total loans of \$17,000 or less will have an affordability period of 10 years. Total loans of \$17,001 to \$20,000 will have an affordability period of 15 years.
- During the continuance of this loan, the homeowner must keep the Property in good and substantial repair

- Properties within federally determined flood plains are not eligible for assistance under this program. Properties located in areas that have not been mapped by FEMA will be assessed to determine if they are located in a flood prone area. Applicant homes determined to be less than 1 foot above the Base Flood Elevation level will be deemed ineligible.
- Homebuyers will need to carry adequate dwelling insurance covering fire and other hazards for the full replacement value of the home. The Grantee, CNED, Inc. must be listed as a loss payee.
- Each unit rehabilitated or constructed will include appropriate development standards aimed at lowering the utility bills of the homebuyer purchasing the home and/or reducing capital expenses in the first five (5) years of ownership. (i.e. increased insulation; new heat pumps; new energy efficient appliances; new energy efficient mechanical equipment; and windows with minimum R-value of 2.86 & U-value of .35.) Newly constructed homes receiving down payment/closing cost assistance must meet or exceed the 2009 International Energy Conservation Code.
- Properties within federally determined floodplains are not eligible for assistance under this program. Properties located in areas that have not been mapped by FEMA will be assessed to determine if they are located in a flood prone area. Applicant homes determined to be less than 1 foot above the Base Flood Elevation level will be deemed ineligible.
- Homebuyers will need to carry adequate dwelling insurance covering fire and other hazards for the full replacement value of the home. The Grantee, CNED, Inc., must be listed as a loss payee.

\*The term Manufactured Home is defined as a factory-built structure which is to be used as a place for human habitation, which is not constructed or equipped with a permanent hitch or other device allowing it to be moved other than to a permanent site, which does not have permanently attached to its body or frame any wheels or axles, and which bears a label certifying that it was built in compliance with the “National Manufactured Home Construction and Safety Standards” promulgated by the U.S. Department of Housing and Urban Development (HUD); or a modular housing unit as defined in the statutes (Neb. Rev. Stat. s 71-1557), bearing the seal of the Nebraska Department of Health and Human Services – Regulation and Licensure.

After project closeout, CNED, Inc. or its designee will mail out a letter annually to DPA recipients requiring a response to ensure recipients are still using the property as their principal residence.

Regardless of the income level, all homeowners participating in the program must sign a promissory note stipulating the amount owed in the event that the owner attempts to sell or rent the assisted unit prior to full payment of the loan. If an owner wishes to sell, has need to sell or rent the property prior to the full payment of the loan, any loan balance becomes due in full at the time the property is rented, sold or transferred. Additionally, the loan balance becomes immediately due in full if the property ceases to be the principal residence of the applicant, regardless of whether or not the property is rented, sold or transferred. Recapture provisions will be enforced through the execution of a Promissory Note. The Housing Administrator will file a Deed of Trust lien against each home purchased through this Program, and the homeowner(s) will be required to sign an Occupancy Agreement in which the “principle residence” requirement is emphasized.

**Income Chart for Downpayment Assistance Program**

INCOME THRESHOLD FOR HOUSEHOLD – Effective June 2016								
PROGRAM	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
A - (120%)	\$50,880	\$58,080	\$65,400	\$72,600	\$78,480	\$84,240	\$90,120	\$95,880
B - (80%)	\$33,900	\$31,460	\$43,600	\$48,400	\$52,300	\$56,150	\$60,050	\$63,9000
C - (65%)	\$27,560	\$31,460	\$35,425	\$39,325	\$42,510	\$45,630	\$48,815	\$51,935
D – (50%)	\$21,200	\$24,200	\$27,250	\$30,250	\$32,700	\$35,100	\$37,550	\$39,950
*See counties below								
*Nebraska counties of:	Blaine, Boyd,	Brown, Cherry,	Custer,	Garfield,	Greeley, Holt,	Keya Paha,	Loup,	
	Rock, Sherman,	Valley and Wheeler.						

**Level Guidelines for Downpayment Assistance Program**

***Program A***

- Owner occupied units only.
- Applicant’s annual income must be at or below level A status.
- Applicant will repay loan principal at 2% interest beginning 6 months after closing.
- Total loan amounts of \$17,000 or less will be repaid over a 10-year period, and have an affordability period of ten (10) years.
- Total loan amounts of \$17,001 to \$20,000 will be repaid over a 15-year period, and have an affordability period of fifteen (15) years.
- Applicant’s net worth of less \$75,000, excluding residence.

***Program B***

- Owner occupied units only.
- Applicant’s annual income must be at or below level B status.
- Applicant will repay loan principal at 1% interest beginning 6 months after closing.
- Total loan amounts of \$17,000 or less will be repaid over a 10-year period, and have an affordability period of ten (10) years.
- Total loan amounts of \$17,001 to \$20,000 will be repaid over a 15-year period, and have an affordability period of fifteen (15) years.
- Applicant’s net worth of less \$75,000, excluding residence.

***Program C***

- Owner occupied units only.
- Applicant’s annual income must be at or below level C status.
- Applicant will repay loan principal at 0% interest with payments beginning 6 months after closing.
- Total loan amounts of \$17,000 or less will be repaid over a 10-year period, and have an affordability period of ten (10) years.
- Total loan amounts of \$17,001 to \$20,000 will be repaid over a 15-year period, and have an affordability period of fifteen (15) years.
- Applicant’s net worth of less \$75,000, excluding residence.

### ***Program D***

Owner occupied units only

- Applicant's annual income must be at or below level D status.
- Original principal (loan) is deferred until the property is sold, there is a transfer of title, or it ceases to be the primary residence of the homeowner enrolled in this Program.
- No interest on the loan accrues.
- Applicant's net worth of less than \$75,000 excluding residence.
- If approved for level D, a homeowner may choose to make voluntary payments toward the deferred loan.

Regardless of the income level, all homeowners participating in the program must sign a promissory note stipulating the amount owed in the event that the owner attempts to sell or rent the rehabilitated unit after completion of the project and prior to the satisfaction of any loan repayment arrangements. If an owner wishes to sell, has need to sell or rent the property prior to the expiration of the loan period, the loan becomes due in full at the time the property is rented or sold. The Housing Administrator will file a Deed of Trust lien against each home to be rehabilitated through this grant and the homeowner(s) will be required to sign an Occupancy Agreement in which the "principle residence" requirement is emphasized.



**DOWNPAYMENT ASSISTANCE PROGRAM APPLICATION**

**Date:** \_\_\_\_\_

**PERSONAL INFORMATION**

<b>Applicant's Name:</b> _____			
	First	Middle	Last
Age: _____	Social Security Number _____		
Marital Status: _____ Married    _____ Unmarried (single, divorced, widowed)    _____ Separated			
Home Phone: _____ Work Phone Applicant _____			
<b>Co-Applicant's Name:</b> _____			
	First	Middle	Last
Age: _____	Social Security Number _____		
Current Property Address _____		Mailing Address _____	
City _____		Zip Code _____	County _____
Work Phone Co-Applicant _____			

Do you have a property selected at this time for which you wish to use the DPA funds? Yes _____ No _____	
If yes, please provide the following information about the prospective property	
Street Address _____ City _____	
Zip Code _____ County _____	
Is there anyone living in the home besides the owner or you as potential buyer? Yes _____ No _____	
Is this a Manufactured home? Yes _____ No _____ (Mobile homes not meeting this definition are not eligible – see information cover sheet for definition of Manufactured Home.)	
Please indicate time period during which this home was built:	
Before 1940 _____ 1940-1959 _____ 1960-1977 _____ 1977-Present _____ Unknown _____	
Is this home located in a flood plain? Yes _____ No _____ (If unknown, check with County or City/Village Clerk)	
Has this property ever been tested for lead-based paint? Yes _____ No _____ Unknown _____	
If yes, please advise when testing occurred and provide a copy of the report: Date Tested _____	

**INFORMATION ON DEPENDENTS AND OTHER HOUSEHOLD MEMBERS** (excluding self and spouse)

<u>Name and Birth Date</u>	<u>Age</u>	<u>Gender</u>	Lives at Home <u>(yes/no)</u>	Full-Time Student <u>(yes/no)</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

**EMPLOYMENT DATA** (required for any household member age 18 or over)

Family Member _____	Employer _____	How Long _____
Employer Address _____	City _____	Zip _____
Occupation _____	# Scheduled work hours/week _____	
Gross Income (before taxes) Per Month _____	Per Year _____	
Family Member _____	Employer _____	How Long _____
Employer Address _____	City _____	Zip _____
Occupation _____	# Scheduled work hours/week _____	
Gross Income (before taxes) Per Month _____	Per Year _____	
Family Member _____	Employer _____	How Long _____
Employer Address _____	City _____	Zip _____
Occupation _____	# Scheduled work hours/week _____	
Gross Income (before taxes) Per Month _____	Per Year _____	

**OTHER INCOME** (Social Security, ADC, Disability, Welfare, Unemployment, Child Support, Retirement or Veteran, Rental Income, Worker's Compensation, and any other source not listed).

Family Member _____	Source _____	Monthly Amount _____
Source Address/Phone _____		
Family Member _____	Source _____	Monthly Amount _____
Source Address/Phone _____		
Family Member _____	Source _____	Monthly Amount _____
Source Address/Phone _____		
Family Member _____	Source _____	Monthly Amount _____
Source Address/Phone _____		

**ASSETS** (Cash value of life insurance policies and revocable trusts, retirement/pension funds, cash held in checking/savings accounts, stocks, equity in rental property, personal property held as investments such as gems/jewelry/coin collection/antique cars, IRA's, CD's, mortgages or deeds of trust held by applicant, lump sum or one time receipts such as inheritances/capital gains/insurance settlements, and any other asset not listed).

Average Checking Balance \$ _____	Bank & Address _____
Savings Amount \$ _____	Bank & Address _____
Does the total cash value of your assets exceed \$5,000? Yes _____ No _____	
Real Estate Owned (other than home in which you reside) _____	Value \$ _____

**MONTHLY HOUSING EXPENSES**

	<b>Monthly Amount</b>	<b>Balance Due</b>	<b>Name of Company</b>
Current Mortgage/Rent Payment			
Electric/Gas/Water Bills			
Property Taxes		←Please divide your annual amount by 12 to get your monthly amount and include that here.	
Homeowner's Insurance			
<b>Totals</b>			

**OTHER QUESTIONS**

• Have you successfully attended a REACH-Certified Homebuyer Education Workshop?  
 Yes \_\_\_\_\_ (Date and location \_\_\_\_\_) Not Yet \_\_\_\_\_

• Is any member of the household physically or mentally disabled? Yes \_\_\_\_\_ No \_\_\_\_\_  
 If yes, please explain \_\_\_\_\_

**SIGNATURES**

I (we) hereby certify that the statements made by me (us) are true and correct to the best of my (our) belief and knowledge.

\_\_\_\_\_  
 Signature and Date

\_\_\_\_\_  
 Signature and Date

**DOCUMENTATION REQUIRED**

- Copy of most recent year's income tax return (full set of forms), or 3 years if self-employed.
- Copy of most current pay stubs of all occupants of household (if working), including Social Security, Health & Human Services statements, and Child Support.
- Copy of most recent bank statements
- Copy of Certificate of Completion of REACH Homebuyer Education. Course must be completed within 1 year of closing.

Your application cannot be processed until we receive this documentation. We are aware that some of this documentation does not apply to all applicants (for example, not everyone is required to file an income tax return). If you believe this is the case for you, please indicate in writing such when you return the other information to us.

NOTE: The Housing Specialist will be contacting you to secure lender information. Your application will not be considered ready until the Housing Specialist has received:

- Copy of Purchase Agreement on the home
- Copy of letter of approval for first mortgage by a commercial lender
- Appraisal Report

**SUBMIT YOUR APPLICATION TO:**

Community Development Services, LLC  
 53506 862 Road  
 Plainview, NE 68769

Attn: Leigh Alexander or Chris Holton  
 Phone: 402/582-3580



# EMPLOYER VERIFICATION FORM

(A SEPARATE FORM MUST BE SIGNED BY EACH INCOME-EARNING MEMBER OF THE HOUSEHOLD)

DATE: \_\_\_\_\_

EMPLOYEE: \_\_\_\_\_  
Name

EMPLOYER: \_\_\_\_\_  
Name

Street Address City/State/Zip

Street Address City/State/Zip

SS# \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_

## REQUEST FOR VERIFICATION OF EMPLOYMENT

Regulations require that the housing program administrator, verify employment of household/family members for the purpose of determining family eligibility for down payment assistance/housing rehabilitation.

### TO WHOM IT MAY CONCERN:

I (WE) authorize the Grantee and/or any agent so designated by the City to access all information requested, included but not limited to that listed below.

Applicant \_\_\_\_\_ Date \_\_\_\_\_

1. Employment start date \_\_\_\_\_
2. Please indicate if employee is paid hourly wages or salary \_\_\_\_\_
3. \$ \_\_\_\_\_ gross per hour / week / month / year (Circle one)
4. # \_\_\_\_\_ hours worked per week
5. Annual anticipated tip earnings not recorded on employee's W2 \$ \_\_\_\_\_
6. Employee is paid – daily / weekly / bi-weekly / monthly (Circle one)
7. Overtime pay at 1 x hourly rate / 1-1/2 x hourly rate / other rate \_\_\_\_\_
8. Overtime hours are worked regularly / occasionally / rarely / never (Circle one)
9. If regular or occasional overtime, anticipated hours over next 12 months # \_\_\_\_\_
10. Year-to-Date Gross Earnings \$ \_\_\_\_\_
11. Anticipated gross salary over the next 12 months \$ \_\_\_\_\_
12. Is there any anticipated change of employment or job status, such as a raise, promotion, or lay-off in the near future? If yes, please explain and give anticipated date \_\_\_\_\_
13. Is employee currently off work due to lay-off, sick leave, work-related accident? If yes, please explain and give estimated date of return: \_\_\_\_\_

This form should be completed and signed by a bona fide representative of the employer such as timekeeper, bookkeeper, or accountant. **IN NO EVENT SHOULD IT BE COMPLETED BY THE EMPLOYEE.**

\_\_\_\_\_  
SIGNATURE/TITLE

\_\_\_\_\_  
DATE

**PLEASE RETURN THIS FORM WITHIN SEVEN DAYS TO:**

**Community Development Services, LLC, 53506 862 Road, Plainview, NE 68769-2118**

**Phone/Fax: 402-582-3580**

# ASSETS ON DEPOSIT VERIFICATION FORM

**DATE:** \_\_\_\_\_

**NAME:** \_\_\_\_\_

**BANK:** \_\_\_\_\_  
Name

\_\_\_\_\_  
Street Address City/State/Zip

\_\_\_\_\_  
Street Address City/State/Zip

**SS#** \_\_\_\_\_

**Phone** \_\_\_\_\_ **Fax** \_\_\_\_\_

**REQUEST FOR VERIFICATION OF ASSETS ON DEPOSIT**

Federal regulations require that the housing program administrator verify all assets on deposit of household/family members for the purpose of determining family eligibility for down payment assistance/housing rehabilitation.

**TO WHOM IT MAY CONCERN:**

I (WE) authorize the Grantee and/or any agent so designated by the Grantee \_\_\_\_\_, to access all information requested, included but not limited to that listed below.

\_\_\_\_\_  
Applicant Date Co-Applicant Date

Checking / Savings / Money Market Funds Account No.	Average Monthly Balance for Last 6 Months	Current Interest Rate	
Certificates of Deposit / IRA / Retirement Account Account No.	Amount	Withdrawal Penalty	Current Interest Rate

This form should be completed and signed by an authorized representative of the depository.  
**IN NO EVENT SHOULD IT BE COMPLETED BY THE APPLICANT.**

\_\_\_\_\_  
SIGNATURE / TITLE

\_\_\_\_\_  
DATE

**PLEASE RETURN THIS FORM WITHIN SEVEN DAYS TO:**  
**Community Development Services, LLC, 53506 862 Road, Plainview, NE 68769-2118**  
**Phone / Fax: 402-582-3580**

## CHECKLIST OF REQUIRED DOCUMENTS FOR PROGRAM ELIGIBILITY DETERMINATION

This Checklist is provided to help you through the process of gathering the documentation we need in order to determine your eligibility for the Housing Program. Please provide these items with your Application. If not, this will delay the process for you.

- Copy of Social Security cards of all household members.**
- Copy of most recent bank statements.** Provide at least one full month's worth of activity.
- Copy of most recent year's federal income tax return (full set of forms).** If you do not file taxes, we need signed letter stating this.
- Copy of most current pay stubs of all occupants of household (if working).** If you are self-employed, we need a copy of your last three years' federal tax returns – complete sets. We average your income over the last 3 years to project ahead for the next year.
- Employer Verification Form for each working household member (see enclosure).** You must complete and sign the top section of this form and the bottom section must be completed by your employer. The form is to then be returned to us by your employer. Contact us if you need additional copies. If you are not employed, indicate such on the Household Survey.
- Asset on Deposit Form for each of your Banks (see enclosure).** You must complete and sign the top section of this form and the bottom section must be completed by your Bank. The form is to then be returned to us by the Bank. Contact us if you need additional copies. If you do not have any bank accounts, indicate such on the Household Survey.
- Documentation of Other Assets.** If you have an investment account, such as stocks, a retirement account or an IRA, we need a statement from the financial institution where this account is held giving us the balance of this account. If you have a whole life insurance policy we need a statement from the insurance company reflecting its value. These assets must be considered with your application.
- Documentation of Social Security Income, if applicable.** If you receive Social Security Benefits, we need a copy of the Social Security Benefits Statement you received from the Social Security Administration (usually in December) outlining your monthly benefits for the current / upcoming calendar year. **Not your 1099 from the SSA.**
- Documentation of Child Support.** If you're receiving any child support or are eligible to receive child support, we need a statement from Health and Human Services documenting the payments you've received over the last 12 months.

Please feel free to contact us if you have any questions. We look forward to working with you.

*CDS Inspections & Beyond*  
53506 862 Rd / Plainview, NE 68769 / Phone & Fax (402) 582-3580  
Email: [info@cdsne.com](mailto:info@cdsne.com) | Visit us at [www.cdsne.com](http://www.cdsne.com)